

MOI version 5.0

# Models of Impact

## Workshop Script



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## Workshop Script

This document includes a suggested script to accompany your presentation. Please refer to MOI\_Toolkit-v5.pdf for full workshop instructions.

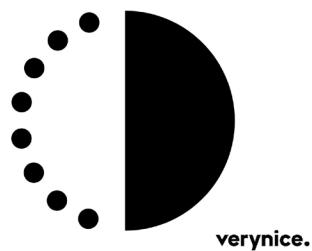
MOI version 5.0

**Models of Impact**  
A methodology for  
balancing impact  
and revenue

Welcome



Models of Impact was created by American social entrepreneur and design strategist, Matthew Manos. In 2008, Matthew founded verynice, a design strategy practice in Los Angeles, California.

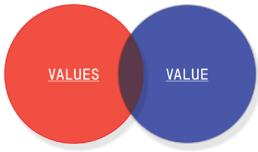


verynice is most well known for its “give half” business model, a commitment to give half of its services away for free to nonprofit organizations. Building this model changed Matthew’s perspective on what a business model could be.

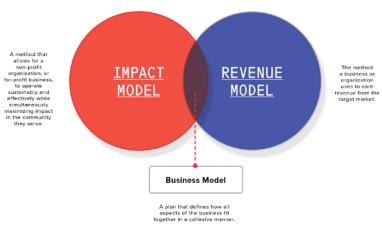


That a business could live at the intersection of passion and survival.

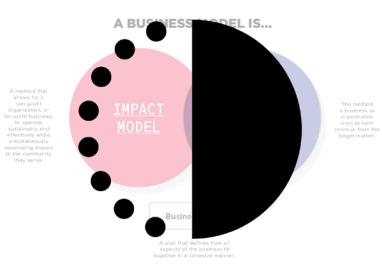
And of values and values; of what we believe, and what we have to offer to the world.



A business model should equally balance and value both impact and revenue.



Again, this is directly inspired by verynice's give half model.

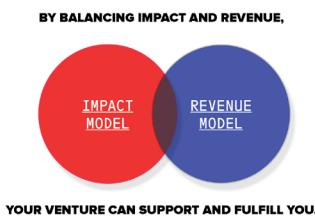


If you only have an impact model, you'll feel fulfilled, but that sense of purpose will be short-lived due to financial constraints.



If you only have a revenue model, you might get wealthy, but ultimately you will feel a lack of motivation and purpose.





By balancing impact and revenue, your venture can support and fulfill you. This is exactly what Models of Impact aims to teach and advocate for.



Models of Impact is a role-playing and ideation game that simulates the process of launching a social enterprise.



It is available online on a pay-what-you-want basis. Each download includes a range of resources, including the toolkit as well as a comprehensive glossary that defines over 200 different business models.



The Models of Impact method and resources have reached thousands of entrepreneurs and students across over 170 countries.



The process itself takes place over the course of four steps: Learn, Invent, Program, and Report. In the Learn phase, participants are introduced to a range of models. In the Invent phase, we create new business models, inspired by the existing ones. In the Program phase, we further develop and iterate upon the idea. In the Report phase, we share our work for feedback and celebration.

**Let's play the  
Models of  
Impact game!**

Are we ready to play?

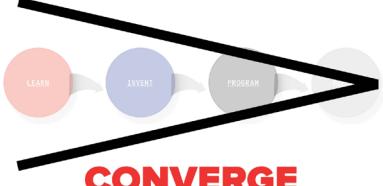
This four step process has a lot in common with...



... the design mindset.

## **DESIGN MINDSET**

**DIVERGE**



By this, we mean it involves both divergent (blue sky; generative; anything is possible) thinking, as well as convergent (more practical; iterative; refined) thinking.

**CONVERGE**

**LEARN**

To begin, we'll take a look at a range of impact and revenue models, for inspiration.



The Models of Impact glossary is the most comprehensive collection of business models available. With over 200 models included, we highly recommend checking it out at [modelsofimpact.co](http://modelsofimpact.co). For today, we'll share 6 from the glossary that are particularly inspiring.



Rising Tide Car Wash is a car wash in Florida that focuses on employing people with autism.

## Impact model: Jobs for people with disabilities.

Revenue model: Fee for service.



GRID110 is an accelerator program for community-focused businesses in Los Angeles.

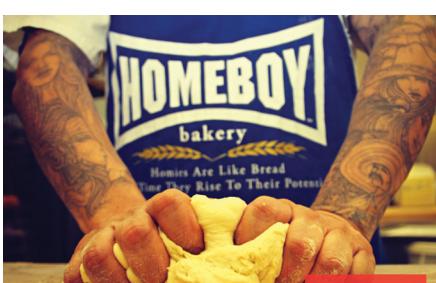
Impact model: Civic/social incubator or accelerator.

## Revenue model: Grant funding



Meathead Movers is a moving company that employs student athletes. A portion of their moves are dedicated for free for victims of domestic violence.

## Impact model: Pro-bono.



Homeboy Industries is the largest gang intervention organization in the United States. They launch and operate a number of ventures (such as a bakery, a silkscreening company, an e-waste recycling business, etc.). These ventures employ people who were previously incarcerated, or those who are transitioning out of a gang.

## Impact model: Jobs for people in transition



Xinca Eco Shoes makes and sells shoes using tires that have been discarded on the side of the road.

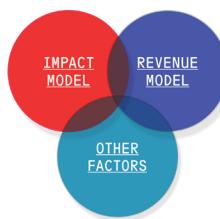
Impact model: Upcycling.

Revenue model: Retail/eCommerce.

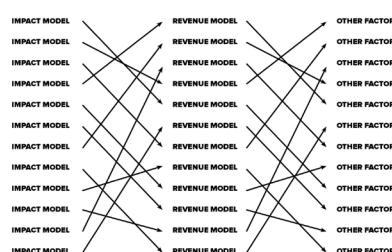


LSTN Sound Co makes responsibly sourced headphones. For every pair of headphones that are sold, the company donates a pair of hearing aids, in partnership with the Starkey Hearing Foundation.

Impact model: Product for service/access.



To invent, we'll be bringing together influences from Impact Models and Revenue Models, the two necessary pieces of a business model, but also Other Factors: interests, skills, assets, problems, and more, that ultimately define the focus of the business.



The way the Models of Impact process works, is we create lists of these three things, and then randomly combine items from these lists to inspire a new idea.



And we do this using polyhedral dice.

## **SCENARIO: IDEATING A NEW BUSINESS FROM SCRATCH.**

There are many ways to use Models of Impact. For today's workshop, we'll be ideating a new business from scratch.

Note: this can be swapped for one of the other use-cases listed at the end as well.

<b>#3 Impact Models</b>	<b>#2 Revenue Models</b>	<b>#2 Other Factors</b>
1 Jobs for Transitional Communities	1 Hourly Rate	1 Walking the Dog
2 Products for Service/Access	2 Project/Plan Rate	2 Public Transit
3 Circular Economies	3 Kickstart	3 Being Lazy
4 Sharing Economies	4 Pay-What-you-Want	4 Eating Food
5 One for One	5 Premium	5 Facilitating Workshops
6 Circular Business Products	6 Discount	6 Shopping
7 Crowdfunding	7 Membership/Subscription	7 Drinking Coffee
8 Civic/Community Accelerator	8 Advertising	8 Cleaning Businesses
9 Open Source	9 Sponsorship	9 Going to Museums
10 Building Scale Roots	10 Free Sample	10 Listening to Music
11 Accessibility	11 Consignment	11 Laundry
12 % of Profit or Revenue	12 Secondary Revenue	12 Traveling

Let's do an example. I have prepared a list of Impact Models, Revenue Models, and Other Factors. Using a 12 sided die, I'll roll one item from each list, and then generate an idea on the spot.

Note: Roll, and improvise! Feel free to update the "Other Factors" to whatever you'd like.

Before we move much forward, I need to find out what our "Other Factors" are going to be today.

## **WHAT ARE OUR "OTHER FACTORS"?**

## **12 EMERGING ISSUES, EXCITING TRENDS, RESOURCES, OR OTHER INTERESTS...**

Anyone from the group, feel free to share your own ideas! These can be anything: emerging issues, exciting trends, resources we have as a group, or other interests.

Note: Collect 12, and write these down somewhere.

Round 01.

## ROUND 01

12 Impact Models
1 Jobs for Transitional Communities
2 Product for Service/ Access
3 Conditional Discounts
4 Sharing Economy
5 One for One
6 Crafts/ Handmade Products
7 Crowdfunding
8 Civic/Social Incubator or Accelerator
9 Open Source
10 Sliding Scale Rates
11 Access to Education
12 % of Profit or Revenue

12 Revenue Models
1 Hourly Rate
2 Project/ Flat Rate
3 eCommerce
4 Pay-What-You-Want
5 Free Samples
6 Donations
7 Membership/Subscription
8 Advertisement/ Advertising
9 Sponsorship
10 Free Sample
11 Cross-Subsidy
12 Secondary Revenue

For Round 01, I'll roll one item from each of our three lists.

Note: Feel free to update the Impact and Revenue Models based on the glossary. Roll once from each list, and call out the results to the group. Have them do this in small teams. 5-15 minutes/round.

Round 02.

## ROUND 02

12 Impact Models
1 Jobs for Transitional Communities
2 Product for Service/ Access
3 Conditional Discounts
4 Sharing Economy
5 One for One
6 Crafts/ Handmade Products
7 Crowdfunding
8 Civic/Social Incubator or Accelerator
9 Open Source
10 Sliding Scale Rates
11 Access to Education
12 % of Profit or Revenue

12 Revenue Models
1 Hourly Rate
2 Project/ Flat Rate
3 eCommerce
4 Pay-What-You-Want
5 Free Samples
6 Donations
7 Membership/Subscription
8 Advertisement/ Advertising
9 Sponsorship
10 Free Sample
11 Cross-Subsidy
12 Secondary Revenue

For Round 02, I'll roll two items from each of our three lists.

Note: Roll twice from each list, and call out the results to the group.

Round 03.

## ROUND 03

<b>12 Impact Models</b>	<b>12 Revenue Models</b>
1 Jobs	1 Hourly Rate
2 Products for Service Access	2 Pay-per-Thing
3 Conditional Discounts	3 +Comments
4 Sharing Economy	4 Pay-What-You-Want
5 One for One	5 Freemium
6 Cradle-to-Cradle Products	6 Donations
7 Circular Design	7 Membership/Subscription
8 Civic/Social Impact Accelerator	8 Advertising/Subscription
9 Open Source	9 Sponsorship
10 Sliding Scale Rates	10 Free Sample
11 Access to Education	11 Cross-Subsidy
12 % of Profit or Revenue	12 Secondary Revenue

For Round 03, I'll roll two items from each of our three lists.

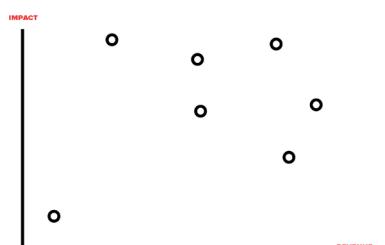
Note: Roll three times from each list, and call out the results to the group.

Now it's time to select one idea to move forward with.

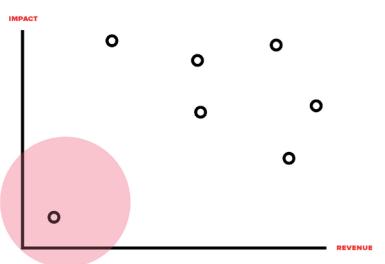
## SELECT ONE IDEA TO MOVE FORWARD WITH



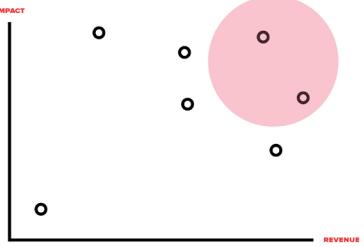
There are many ways to make this decision. Here's one way. We take an X/Y axis with Impact and Revenue.



We plot all of the ideas we generated on this axis, based on which has the most potential for impact, which has the most potential for revenue, and which has a combination of both.



You want to avoid any ideas in this part of the map, as they will lack impact AND revenue!



Ideas that balance an emphasis on both impact and revenue as equally as possible are what you'll want to focus on.



Now that you've selected an idea, it's time to further develop it in the PROGRAM phase.



To do this, we'll use the Models of Impact Canvas, which is comprised of six sections: Impact Model(s), Products/Services, Value Proposition, Talent/Operations, Customers/Partners, and Revenue Model(s). For each of these sections, we have prompting questions to guide your thinking. If your idea changes slightly during this phase, that's OK!



**Impact Model(s):** What kind of impact do you want to make with this product/service/initiative/program? How do you measure your impact?

**Note:** Keep reading through these. There is a summarizing slide at the end for the participants to work with.



**Products/Services:** What are you creating? How do you ensure your product/service/initiative/program works well, and creates the impact you are hoping to achieve?



**Value Proposition:** What makes this product/service/initiative/program unique? What other complementary or competing products/services/initiatives exist, and why are you better?



**Talent/Operations:** What kind of talent and resources will you need to realize this impact? How will you find the talent and resources you need?



**Customers/Partners:** Who will you work with to create this impact? Who won't you work with? Who are your clients, funders, and networks?



**Revenue Model(s):** How does your product/service/initiative/program fund itself? How can you incorporate multiple revenue streams?

PROGRAM	
What kind of impact do you want to make with this product/service/initiative/program? How do you measure your impact?	
<b>PRODUCTS/SERVICES</b> What kind of impact do you want to make with this product/service/initiative/program? How do you measure your impact? What makes this product/service/initiative/program unique? What other complementary or competing products/services/initiatives exist, and why are you better?	<b>VALUE PROPOSITION</b> What makes this product/service/initiative/program unique? What other complementary or competing products/services/initiatives exist, and why are you better?
<b>TALENT/OPERATIONS</b> What kind of talent and resources will you need to realize this impact? How will you find the talent and resources you need?	<b>CUSTOMERS/PARTNERS</b> Who will you work with to create this impact? Who won't you work with? Who are your clients, funders, and networks?
<b>REVENUE MODEL(S)</b> How does your product/service/initiative/program fund itself? How can you incorporate multiple revenue streams?	

And here are all of the questions from the PROGRAM phase, on one slide.

**Note:** On average, ~20 minutes is allocated for this exercise. Depending on the time you have, you can allocate more.

# REPORT

Let's here some ideas!

## USE-CASES

Now, we'll take a look at the range of use-cases that exist for Models of Impact.

Today, we created new business ideas from scratch.

### USE-CASE 01: IDEATING A NEW BUSINESS FROM SCRATCH.

### USE-CASE 02: LAUNCHING A NEW INITIATIVE IN AN EXISTING BUSINESS OR INSTITUTION.

Models of Impact can also be used to launch a new initiative within an existing business or institution.

Take for example, verynice.

**verynice.**

12 Impact Models	12 Revenue Models	12 Other Factors
1 Jobs for Transitional Communities	1 Hourly Rate	1 Diversity
2 Products for Service/Access	2 Project/Plan Rate	2 Activism
3 Conditional Discounts	3 Pay-Per-Use	3 People
4 Sharing Economy	4 Pay-What-You-Want	4 Graphic Design
5 One for One	5 Freemium	5 Design Strategy
6 Cradle-to-Cradle Products	6 Direct Sales	6 Content Marketing
7 Crowdfunding	7 Membership/Subscriptions	7 Social Media
8 Civic/Social Incubator or Accelerator	8 Advertising/Partnership	8 Philanthropy
9 Open Source	9 Sponsorship	9 Education
10 Sliding Scale Rates	10 Free Sample	10 Tools/
11 Access to Education	11 Loyalty Points	11 Crisis Response
12 % of Profit or Revenue	12 Secondary Revenue	12 Employees

We would take a list of Impact and Revenue Models, just as we did today. But, in this case, the “Other Factors” would be things that are important or relevant to the existing business.

## USE-CASE 03: FINDING AN IMPACT MODEL FOR A FOR- PROFIT BUSINESS.



Let's take McDonald's for example.

12 Impact Models	12 Other Factors
1 Jobs for Transitional Communities	1 Burgers
2 Product for Service/Access	2 Fries
3 Conditional Discounts	3 Soda
4 Sharing Economy	4 Customers (In-House)
5 One for One	5 Customers (Drive-Thru)
6 Cradle-to-Cradle Products	6 Farmers
7 Circular Economy	7 Happy Meal Toys
8 Civic/Social Incubator or Accelerator	8 Real Estate
9 Open Source	9 Furniture
10 Sliding Scale Rates	10 Employees
11 Access to Education	11 Global Brand
12 % of Profit or Revenue	12 Cows

As this business already has a strong Revenue Model, we would solely be looking at the Impact Models and Other Factors. Rolling random combinations from these two lists allow us to invent a new impact-driven product, service, or initiative.

## USE-CASE 04: FINDING A REVENUE MODEL FOR A NON- PROFIT ORG.

Likewise, we can use Models of Impact to find a revenue model for a non-profit organization. In this case, you would just use a list of Revenue Models and Other Factors.

## USE-CASE 05: EXAMINING OR DOCUMENTING AN EXISTING MODEL.

IMPACT PROPOSITION	
What kind of impact do you want to make with this product/service/initiative/program? How do you measure your impact?	
PRODUCT/SERVICES	VALUE PROPOSITION
What are you creating? How do you ensure your product/service/initiative/program works well, and creates the impact you are hoping to achieve?	What makes this product/service/initiative/program unique? What other complementary or competing products/services/initiatives exist, and why are you better?
TALENT/OPERATIONS	CUSTOMERS/PARTNERS
What kind of talent and resources will you need to realize this impact? How will you find the talent and resources you need?	Who will you work with to create this impact? Who won't you work with? Who are your clients, funders, and networks?
REVENUE MODELS(S)	
How does your product/service/initiative/program fund itself? How can you incorporate multiple revenue streams?	

Next, Models of Impact can be used to examine or document an existing business model.

For this, you'd just hop straight to the PROGRAM phase, and use our Models of Impact Canvas to capture the model, and/or expose certain gaps and weaknesses.

## USE-CASE 06: AN EXCUSE TO HAVE FUN AND GET SILLY WITH YOUR TEAM.

Finally, Models of Impact can serve as just an excuse to have fun and get silly with your team. Take some time to come up with business ideas that aren't necessarily practical! But in the process, learn more about the diverse range of models that exist.

Q+A.

